

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

In re:

FRANCHISE GROUP, INC., *et al.*,<sup>1</sup>

Debtors.

Chapter 11

Case No. 24-12480 (JTD)

(Joint Administration Requested)

**NOTICE OF (I) FILING OF BANKRUPTCY PETITIONS AND RELATED  
DOCUMENTS AND (II) AGENDA FOR HEARING ON FIRST DAY PLEADINGS  
SCHEDULED FOR NOVEMBER 5, 2024 AT 9:30 A.M. (ET), BEFORE  
THE HONORABLE JOHN T. DORSEY IN THE UNITED STATES  
BANKRUPTCY COURT FOR THE DISTRICT OF DELAWARE<sup>2</sup>**

*[Continued on Next Page]*

<sup>1</sup> The Debtors in these Chapter 11 Cases, along with the last four digits of their U.S. federal tax identification numbers, to the extent applicable, are Franchise Group, Inc. (1876), Freedom VCM Holdings, LLC (1225), Freedom VCM Interco Holdings, Inc. (2436), Freedom Receivables II, LLC (4066), Freedom VCM Receivables, Inc. (0028), Freedom VCM Interco, Inc. (3661), Freedom VCM, Inc. (3091), Franchise Group New Holdco, LLC (0444), American Freight FFO, LLC (5743), Franchise Group Acquisition TM, LLC (3068), Franchise Group Intermediate Holdco, LLC (1587), Franchise Group Intermediate L, LLC (9486), Franchise Group Newco Intermediate AF, LLC (8288), American Freight Group, LLC (2066), American Freight Holdings, LLC (8271), American Freight, LLC (5940), American Freight Management Company, LLC (1215), Franchise Group Intermediate S, LLC (5408), Franchise Group Newco S, LLC (1814), American Freight Franchising, LLC (1353), Home & Appliance Outlet, LLC (n/a), American Freight Outlet Stores, LLC (9573), American Freight Franchisor, LLC (2123), Franchise Group Intermediate B, LLC (7836), Buddy's Newco, LLC (5404), Buddy's Franchising and Licensing LLC (9968), Franchise Group Intermediate V, LLC (5958), Franchise Group Newco V, LLC (9746), Franchise Group Intermediate BHF, LLC (8260); Franchise Group Newco BHF, LLC (4123); Valor Acquisition, LLC (3490), Vitamin Shoppe Industries LLC (3785), Vitamin Shoppe Global, LLC (1168), Vitamin Shoppe Mariner, LLC (6298), Vitamin Shoppe Procurement Services, LLC (8021), Vitamin Shoppe Franchising, LLC (8271), Vitamin Shoppe Florida, LLC (6590), Betancourt Sports Nutrition, LLC (0470), Franchise Group Intermediate PSP, LLC (5965), Franchise Group Newco PSP, LLC (2323), PSP Midco, LLC (6507), Pet Supplies "Plus", LLC (5852), PSP Group, LLC (5944), PSP Service Newco, LLC (6414), WNW Franchising, LLC (9398), WNW Stores, LLC (n/a), PSP Stores, LLC (9049), PSP Franchising, LLC (4978), PSP Subco, LLC (6489), PSP Distribution, LLC (5242), Franchise Group Intermediate SL, LLC (2695), Franchise Group Newco SL, LLC (7697), and Educate, Inc. (5722). The Debtors' headquarters is located at 109 Innovation Court, Suite J, Delaware, Ohio 43015.

<sup>2</sup> All motions and other pleadings referenced herein are available free of charge by visiting the website maintained by the Debtors' proposed Claims and Noticing Agent, Kroll Restructuring Administration, LLC, at <https://cases.ra.kroll.com/FRG>, or by request to the Debtors' proposed counsel (Beth Olivere, paralegal, at [bolivere@ycst.com](mailto:bolivere@ycst.com)).

**This proceeding will be conducted remotely via Zoom.**

**Please refer to Judge Dorsey's Chambers Procedures and the Court's website (<http://www.deb.uscourts.gov/ecourt-appearances>) for information on the method of allowed participation (video or audio), Judge Dorsey's expectations of remote participants, and the advance registration requirements.**

**Registration is required by one-hour prior to the hearing unless otherwise noticed using the eCourtAppearances tool available on the Court's website.**

**To attend this hearing remotely, please register using the eCourtAppearances tool ([available here](#) or on the Court's website (<http://www.deb.uscourts.gov/ecourt-appearances>))**

**YOU MUST USE YOUR FULL NAME WHEN LOGGING INTO ZOOM OR YOU WILL NOT BE ALLOWED INTO THE MEETING.**

**PLEASE TAKE NOTICE** that, on November 3 and November 4, 2024, the debtors and debtors in possession in the above-captioned cases (collectively, the "Debtors"), filed the following voluntary petitions for relief under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101–1532 (the "Bankruptcy Code"), and related pleadings with the Clerk of the United States Bankruptcy Court for the District of Delaware. The Debtors continue to operate their businesses as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

### **PETITIONS AND RELATED PLEADINGS**

**1. Voluntary Petitions**

A. *See* Schedule 1, attached

**2. Declaration of David Orlofsky in Support of Chapter 11 Petitions and First Day Pleadings [[Docket No. 15](#), 11/4/24]<sup>3</sup>**

**PLEASE TAKE FURTHER NOTICE** that a hearing with respect to the following first day pleadings (collectively, the "First Day Pleadings"), to the extent set forth below, is scheduled for **November 5, 2024 at 9:30 a.m. (ET)** (the "First Day Hearing") before The Honorable John T. Dorsey, United States Bankruptcy Judge for the District of Delaware.

### **FIRST DAY PLEADINGS GOING FORWARD**

**3. Debtors' Motion for Order Authorizing Joint Administration of the Debtors' Chapter 11 Cases [[Docket No. 2](#), 11/3/24]**

Status: This matter will be going forward.

---

<sup>3</sup> The declarant is located in New York, New York.

4. Debtors' Application for Appointment of Kroll Restructuring Administration LLC as Claims and Noticing Agent [[Docket No. 3](#), 11/3/24]

Status: This matter will be going forward.

5. Debtors' Motion for Entry of Interim and Final Orders (I) Authorizing the Debtors to Maintain and Administer their Existing Customer Programs and Honor Certain Prepetition Obligations Related Thereto, (II) Authorizing the Banks to Honor and Process Check and Electronic Transfer Requests Related Thereto, and (III) Granting Related Relief [[Docket No. 4](#), 11/3/24]

Status: This matter will be going forward on an interim basis.

6. Debtors' Motion for Interim and Final Orders Establishing Notice and Hearing Procedures for Transfers of Equity Interests in the Debtors and Declarations of Worthlessness with Respect to Equity Interests in Freedom VCM Interco Holdings, Inc. [[Docket No. 5](#), 11/3/24]

Status: This matter will be going forward on an interim basis.

7. Debtors' Motion for Entry of Interim and Final Orders (I) Authorizing the Debtors to Continue their Insurance Policies, Including their Insurance Premium Finance Program and to Pay All Obligations in Respect Thereof, (II) Authorizing the Debtors' Banks and Other Financial Institutions to Honor and Process Checks and Transfers Related Thereto, and (III) Granting Related Relief [[Docket No. 6](#), 11/3/24]

Status: This matter will be going forward on an interim basis.

8. Debtors' Motion for Interim and Final Orders (I) Prohibiting Utility Companies from Altering, Refusing, or Discontinuing Utility Services, (II) Deeming Utility Companies Adequately Assured of Future Payment, (III) Establishing Procedures for Resolving Objections by Utility Companies and Determining Additional Adequate Assurance of Payment, and (IV) Granting Related Relief [[Docket No. 7](#), 11/3/24]

Status: This matter will be going forward on an interim basis.

9. Debtors' Motion for Entry of an Order (I) Authorizing Debtors to Redact Certain Personally Identifiable Information, (II) Authorizing Electronic Noticing Procedures for Customers, and (III) Granting Related Relief [[Docket No. 8](#), 11/3/24]

Status: This matter will be going forward.

10. Debtors' Motion for Interim and Final Orders (I) Authorizing the Debtors to (A) Continue to Maintain their Cash Management System, (B) Honor Certain Prepetition Obligations Related Thereto, and (C) Continue to Perform Intercompany Transactions; (II) Waiving

Certain Operating Guidelines; (III) Suspending Time to Comply with Section 345(b) of the Bankruptcy Code; and (IV) Granting Related Relief [[Docket No. 9](#), 11/3/24]

Status: This matter will be going forward on an interim basis.

11. Debtors' Motion for Entry of Interim and Final Orders (I) Authorizing the Debtors to Pay Certain Prepetition Claims of Certain Critical Vendors, Foreign Vendors, Shippers & Logistics Providers, and 503(b)(9) Claimants; and (II) Granting Related Relief [[Docket No. 10](#), 11/3/24]

Status: This matter will be going forward on an interim basis.

12. Debtors' Motion for Entry of Interim and Final Orders (I) Authorizing Debtors to (A) Pay Certain Prepetition Employment Obligations and Compensation Obligations and (B) Maintain Employee Benefits Programs and Compensation Obligations and (II) Granting Related Relief [[Docket No. 11](#), 11/3/24]

Status: This matter will be going forward on an interim basis.

13. Debtors' Motion for Interim and Final Orders (I) Authorizing Debtors to Pay Certain Prepetition Taxes and Fees and Related Obligations, (II) Authorizing the Banks to Honor and Process Check and Electronic Transfer Requests Related Thereto, and (III) Granting Related Relief [[Docket No. 12](#), 11/3/24]

Status: This matter will be going forward on an interim basis.

14. Debtors' Motion for Entry of Interim and Final Orders (I) Authorizing the Debtors to Assume the Consulting Agreement, (II) Approving Procedures for Store Closing Sales, and (III) Granting Related Relief [[Docket No. 14](#), 11/4/24]

Status: This matter will be going forward on an interim basis.

15. Debtors' Motion for Entry of Interim and Final Orders (I) Authorizing the Debtors to (A) Obtain Senior Secured Priming Superpriority Postpetition Financing and (B) Use Cash Collateral, (II) Granting Liens and Providing Claims with Superpriority Administrative Expense Status, (III) Granting Adequate Protection to the Prepetition Secured Parties, (IV) Modifying the Automatic Stay, and (V) Granting Related Relief [[Docket No. 51](#), 11/4/24]

- A. Declaration of Christopher Grubb in Support of Debtors' Motion for Entry of Interim and Final Orders (I) Authorizing the Debtors to (A) Obtain Senior Secured Priming Superpriority Postpetition Financing and (B) Use Cash Collateral, (II) Granting Liens and Providing Claims with Superpriority Administrative Expense Status, (III) Granting Adequate Protection to the Prepetition Secured Parties, (IV) Modifying the Automatic Stay, and (V) Granting Related Relief [[Docket No. 52](#), 11/4/24]<sup>4</sup>

Status: This matter will be going forward on an interim basis.

**PLEASE TAKE FURTHER NOTICE** that objections, if any, to the First Day Pleadings may be made at the First Day Hearing.

*[Signature Page Follows]*

---

<sup>4</sup> The declarant is located in New York, New York.

Dated: November 4, 2024  
Wilmington, Delaware

**YOUNG CONAWAY STARGATT & TAYLOR,  
LLP**

/s/ Shella Borovinskaya

Edmon L. Morton (Del. No. 3856)  
Matthew B. Lunn (Del. No. 4119)  
Allison S. Mielke (Del. No. 5934)  
Shella Borovinskaya (Del. No. 6758)  
Rodney Square  
1000 North King Street  
Wilmington, Delaware 19801  
Telephone: (302) 571-6600  
Facsimile: (302) 571-1253  
emorton@ycst.com  
mlunn@ycst.com  
amielke@ycst.com  
sborovinskaya@ycst.com

-and-

**WILLKIE FARR & GALLAGHER LLP**

Debra M. Sinclair (admitted *pro hac vice*)  
Matthew A. Feldman (admitted *pro hac vice*)  
Betsy L. Feldman (Del. No. 6410)  
Joseph R. Brandt (admitted *pro hac vice*)  
787 Seventh Avenue  
New York, New York 10019  
Telephone: (212) 728-8000  
Facsimile: (212) 728-8111  
dsinclair@willkie.com  
mfeldman@willkie.com  
bfeldman@willkie.com  
jbrandt@willkie.com

*Proposed Co-Counsel to the Debtors  
and Debtors in Possession*

**SCHEDULE 1****Pending Bankruptcy Cases Filed by the Debtor and Affiliates of the Debtor**

	<b>Entity Name</b>	<b>Tax ID No.</b>	<b>Case No.</b>
1.	Franchise Group, Inc.	27-3561876	24-12480
2.	Freedom VCM Holdings, LLC	93-2491225	24-12496
3.	Freedom VCM Interco Holdings, Inc.	93-2512436	24-12499
4.	Freedom Receivables II, LLC	92-0334066	24-12492
5.	Freedom VCM Receivables, Inc.	93-3510028	24-12506
6.	Freedom VCM Interco, Inc.	93-2733661	24-12502
7.	Freedom VCM, Inc.	93-2543091	24-12509
8.	American Freight FFO, LLC	85-3645743	24-12531
9.	Franchise Group New Holdco, LLC	46-1110444	24-12528
10.	Franchise Group Acquisition TM, LLC	85-2593068	24-12524
11.	Franchise Group Intermediate Holdco, LLC	84-2891587	24-12491
12.	Franchise Group Intermediate L, LLC	84-3269486	24-12495
13.	Franchise Group Intermediate PSP, LLC	86-1565965	24-12500
14.	Franchise Group Newco PSP, LLC	86-1602323	24-12522
15.	PSP Midco, LLC	83-2736507	24-12488
16.	Pet Supplies “Plus”, LLC	27-3245852	24-12519
17.	PSP Group, LLC	27-3245944	24-12482
18.	PSP Service Newco, LLC	27-3246414	24-12493
19.	PSP Stores, LLC	38-3249049	24-12497
20.	PSP Subco, LLC	27-3246489	24-12501
21.	WNW Franchising, LLC	88-0659398	24-12525
22.	PSP Franchising, LLC	27-3064978	24-12481
23.	PSP Distribution, LLC	27-3255242	24-12526
24.	WNW Stores, LLC	N/A	24-12530
25.	Franchise Group Intermediate V, LLC	84-3895958	24-12511
26.	Franchise Group Newco V, LLC	84-3899746	24-12489
27.	Valor Acquisition, LLC	84-3883490	24-12505
28.	Vitamin Shoppe Industries LLC	13-2993785	24-12521
29.	Vitamin Shoppe Global, LLC	46-3461168	24-12517

	<b>Entity Name</b>	<b>Tax ID No.</b>	<b>Case No.</b>
30.	Vitamin Shoppe Mariner, LLC	46-1516298	24-12523
31.	Vitamin Shoppe Procurement Services, LLC	47-2188021	24-12532
32.	Vitamin Shoppe Franchising, LLC	85-3928271	24-12513
33.	Vitamin Shoppe Florida, LLC	76-0846590	24-12510
34.	Betancourt Sports Nutrition, LLC	27-0590470	24-12507
35.	Franchise Group Newco Intermediate AF, LLC	84-4268288	24-12518
36.	American Freight Group, LLC	38-3942066	24-12490
37.	American Freight Holdings, LLC	35-2518271	24-12494
38.	American Freight, LLC	36-4795940	24-12527
39.	American Freight Management Company, LLC	20-4081215	24-12498
40.	Franchise Group Intermediate S, LLC	84-2905408	24-12504
41.	Franchise Group Newco S, LLC	84-2891814	24-12484
42.	American Freight Franchising, LLC	84-3351353	24-12483
43.	Home & Appliance Outlet, LLC	N/A	24-12514
44.	American Freight Outlet Stores, LLC	26-2779573	24-12503
45.	American Freight Franchisor, LLC	85-3542123	24-12487
46.	Franchise Group Intermediate B, LLC	84-2447836	24-12529
47.	Buddy's Newco, LLC	84-2335404	24-12516
48.	Buddy's Franchising and Licensing LLC	27-1519968	24-12512
49.	Franchise Group Intermediate BHF, LLC	87-3268260	24-12486
50.	Franchise Group Newco BHF, LLC	87-3254123	24-12515
51.	Franchise Group Intermediate SL, LLC	87-2552695	24-12508
52.	Franchise Group Newco SL, LLC	87-2537697	24-12485
53.	Educate, Inc.	37-1465722	24-12520